



# UBO Laws and Policies

## TMA UBO Program Office Contract Support

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- Understand the hierarchy of laws, regulations, and policies
- Identify those that directly affect how you do your job

- Laws (a.k.a. Statutes)
  - Passed by Congress
  - United States Code (USC), Title 10, Chapter 55
- Regulations
  - Developed by Executive Branch departments in 3 stages
    - Proposed Rules
    - Notice and Comment Period
    - Final Rules
  - Code of Federal Regulations (CFR), Title 32, Parts 199/220
- Policies
  - Developed by agencies/components to interpret and implement laws and regulations into day-to-day activities
    - DoD Policies
    - HA/Service Policies
- Additional Guidance
  - Developed to clarify higher-level direction or provide implementation guidance
    - TMA/DHA Guidance
    - JTF CapMed/NCR Medical Directorate Guidance (NCR)

- DoD Directives (DoDDs)
  - Exclusively establish policy, assign responsibility, and delegate authority to the DoD Components
  - Do not contain procedures
- DoD Instructions (DoDIs)
  - Policy DoDIs: Establish policy and assign responsibilities within a functional area when the requirements for a DoDD are not met
  - Non Policy DoDIs: Implement policy established in a DoDD or a policy DoDI by providing general, overarching procedures for carrying it out
- DoD Manuals (DoDMs)
  - Provide detailed procedures for implementing policy established in DoDDs and *policy* DoDIs
- TMA UBO User Guide
- Service or JTF CapMed/NCR-specific guidance

- Language of Responsibility
  - shall/entitled (must, mandatory)
  - may/authorized (permissive, allows for discretion)
  - will (expresses future expectations)



# HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT

- Applies to MTF treatment, payment & health care operations (TPO)
  - Health care providers and personnel
  - Financial, business, and administrative support personnel, including contractors
- Administrative Simplification
  - Transaction (version 5010) and code set standards for electronic data interchange (EDI) (1 Jan 2012 compliance date)
    - ASC X12 837P – Professional Health Care Claim
    - ASC X12 837I – Institutional Health Care Claim
    - NCPDP D.0 – Retail Pharmacy Drug Claim
  - Examples
    - National Provider Identifier (NPI) Types 1&2
    - Health Plan Identifier (HPID)
    - ICD-10 code sets (1 Oct 2014 compliance date)

- Privacy
  - Protected Health Information (PHI) = Health Information + Personally Identifiable Information (PII)
  - Authorizes “minimum necessary” disclosures of health care information for TPO
- Security
  - PHI shall be encrypted in a way that is approved by HHS
  - PHI shall be shredded or destroyed and disposed of properly
  - Breach notification requirements if unauthorized disclosure
- DO NOT send any PHI/PII to the TMA UBO Helpdesk
  - *Review all e-mails prior to sending them to the UBO Helpdesk to ensure they do not contain PHI or PII. Remove and de-identify all unique person identifiers in your data before sending. Blocking or covering PHI or PII in a screen shot of encounter data is not sufficient.*



# ENTITLEMENTS AND ELIGIBILITY, cont.

- Active Duty (AD) members and reservists more than 30 days *entitled* to health care (10 USC 1074, 1074a)
- Family members and retirees *authorized* health care on a space available basis (10 USC 1076)
- Individuals *authorized* by Service-specific regulations (32 CFR Part 728)
- Individuals *authorized* by interagency agreements (e.g., 10 USC 1104 and DoDI 6010.23 *DoD/VA Health Care Resource Sharing Program*)
- Individuals *authorized* as secretarial designees (10 USC 1074(c), 32 CFR 108, DODI 6025.23)
  - Designation specifies if dependent on MTF availability and reimbursement responsibility, if any
- Civilians may receive care on a fully reimbursable basis (10 USC 1079(b))
  - *Emergency Medical Treatment and Active Labor Act* (EMTALA, 42 CFR 489.24); cannot refuse treatment in Emergency Department





# ENTITLEMENTS AND ELIGIBILITY, cont.

- DoD Policy, *Provision of Medical Care Provided to DoD Civilian Employees Injured or Wounded While Forward Deployed in Support of Hostilities* (24 Sept 2007)
  - “DoD Civilians who become ill, injured, or wounded while forward deployed are eligible for medical evacuation, treatment, and services in MTFs at the same level and scope provided to military personnel”
    - Eligibility continues in MTF or private sector facilities for compensable injuries under worker’s compensation (no cost)
    - Workers compensation – employee is treated at no cost
- DoD Memorandum, *Medical Care for Caregivers of Members of the Armed Forces Recovering from Serious Injuries or Illnesses* (1 Apr 2010)
  - Authorizes space-available inpatient/outpatient medical care to qualified caregivers at any MTF
  - Pursue OHI, if any

- DoDI 1000.13, *Identification (ID) Cards for Members of the Uniformed Services, Their Dependents, and Other Eligible Individuals* (5 Dec 1997)
  - DD Form 2, “U.S. Armed Forces Identification Card” (Active, Reserve, Retired) is primary ID for active duty Uniformed Services' members
  - shall be used to identify the eligibility for benefits

E4.A1.1.1. Dependents of active duty members or members entitled to retired pay including former (discharged) members, who are 60 years of age or older, and who are in receipt of retired pay for non-Regular service under Chapter 1223 of 10 U.S.C. (reference (dd)) and their eligible dependents. (DD Form 1173 may be issued to a spouse in the legal name by which the spouse is known, such as a maiden name.)

	MC	MS	C	MWR	E
Former Member (Self)	1	Yes	6	6	6
Lawful Spouse	2	Yes	Yes&6	Yes&6	Yes&6
Children, Unmarried, Under 21 Years					
Legitimate, adopted, stepchild, illegitimate child of record of female member, or illegitimate child of male member, whose paternity has judicially determined	2	Yes	3&6	4&6	4&6
Illegitimate child of male member, whose paternity has not been or illegitimate child of spouse	2&3	3	3&6	4&6	4&6
Ward	2&3	3	3&6	4&6	4&6
Pre-adoptive Child	2&7		3&6	4&6	4&6
Children, Unmarried, 21 Years and Over (If entitled above)	2,4 &5	4&5	3,5&6	4,5&6	4,5&6
Father, Mother, Father-in-Law, Mother-in-Law, Stepparent, or Parent-by-Adoption	No	3	3&6	4&6	4&6

**Notes:**

1. a. Yes, if the former member is not entitled to Medicare Part A hospital insurance, or
- b. No, if under 65 years of age, entitled to Medicare Part A hospital insurance, and not enrolled in Medicare Part B supplemental medical insurance.

e (Attachment 1 to

Abbreviations

MC	medical care in civilian facilities
MS	medical care in Uniformed Service facilities
C	commissary privileges
MWR	MWR privileges
E	exchange privileges

- DoDI 6015.23, *Delivery of Healthcare at Military Treatment Facilities: Foreign Service Care; Third-Party Collection; Beneficiary Counseling and Assistance Coordinators (BCACs)* (30 Oct 2002)
  - Assigns responsibilities and prescribes procedures for
    - Healthcare delivery at MTFs
    - International military reciprocal healthcare agreements
    - BCAC responsibilities
  - Authorizes UBO Manual (DoD 6015.1-M)
  - Requires establishment of MTF UBOs and TPC, MAC and MSA programs
    - Must collect reimbursement for health care provided to the fullest extent of law



- DoD 6010.15-M *UBO Manual* (current version)
  - Provides operation requirements and standard guidelines for MTF UBOs
  - Prescribes uniform procedures and accounting systems for the management and follow-up of accounts, including recovery, depositing, posting, and reconciliation
- HA Policy 08-007, *Billing and Collections for TPCP, MSA, MAC in MTFs* (13 June 2008)
  - Billing and collection activities may be performed by MTF personnel, other Government personnel, contract personnel, or any combination of personnel
  - MTFs are not restricted to using TPOCS or the MSA module in the Composite Health Care System
  - Services must provide management data to TMA UBO on request
  - The Services should implement best business practices to manage their collections programs and to meet TMA UBO reporting requirements



- MTFs authorized to collect “reasonable charges” for care provided to covered beneficiaries
  - TMA UBO Inpatient and Outpatient Rates letters approved by ASD(HA)
    - All outpatient and inpatient rates are the same for all UBO Programs: TPCP, MSA, and MAC
    - Computed based on what TRICARE allows
    - Delay in effective date of MAC rates which require approval by the Office of Management and Budget (OMB)
- HA Policy *Use of CPT® Code 99199* (14 Sept 2004)
  - Institutional component of an Ambulatory Procedure Visit
- VA-DoD Resource Sharing Agreement Care – use TRICARE rates less 10% (*VA/DoD Memorandum of Agreement Health Care Resource Sharing Reimbursement Methodology* 2003)



- *Policy on New TRICARE Pharmacy Copayments and Elimination of Active Duty Family Member (ADFM) TRICARE Prime Copayments (29 Mar 2001)*
  - No copayment charge for AD family members enrolled in TRICARE Prime
- *HA Policy 04-028, Termination of Subsistence Surcharge for Uniformed Services Personnel in MTFs (15 Dec 2004)*
- *Permanent Prohibition Against Requiring Certain Injured Members to Pay for Meals Provided by Military Treatment Facilities (4 Feb 2009)*
  - No charge for Armed Forces members in combat operation/zone
- *HA Policy on MTFs Not Billing for Telephone Calls (19 Apr 2007)*
  - No charge for telephone consults/assessments



# THIRD PARTY COLLECTION PROGRAM

## 10 USC 1095, 32 CFR 220, DoD 6010.15-M § 4

- Authority to collect from third-party payers “reasonable charges” for the cost of health care provide to any covered beneficiary
  - Excludes Active Duty unless automobile liability payer
  - Excludes billing Medicare, Medicaid, CHAMPUS supplemental plans
  - Excludes civilian emergency patients and Uniformed Services Civilian employees who are not beneficiaries (bill them directly)
- Payer may deduct beneficiary’s appropriate deductible or copayment amount from amount billed
- Payer must pay the MTF; cannot reimburse the beneficiary
- Payer cannot exclude from coverage or limit payment because MTF provided care or if MTF does not have a participation agreement
- Beneficiary cannot be balance billed for any unpaid TPC amount
- Amounts collected from are credited to the collecting MTF’s maintenance and operation appropriation



# OTHER HEALTH INSURANCE (OHI)

10 US.C. 1095(k)(1), 32 CFR § 220.9, DoD 6010.15-M § 4

- Beneficiaries, excluding AD, required to provide OHI information
  - Any health insurance policy (e.g., medical or pharmacy) other than TRICARE, TRICARE Supplemental plans, Medicare, Medicaid, and certain government sponsored programs, that a beneficiary may carry through an employer or private insurance company
  - Is considered to be the primary health insurance
  - MTFs must have a verification process
- Beneficiaries, excluding AD, must complete, sign, and date a DD Form 2569 TPCP/MSA OHI collection form at least annually or if there have been changes to the patient's information
  - a signed assignment of benefits is not required for MTF to bill third- party payer for services rendered
- Does not impact beneficiary's MTF access or ability to receive care
  - grounds for disqualification for health care if false information intentionally provided or beneficiary willfully fails to provide OHI





# MEDICAL SERVICES ACCOUNT

10 USC 1079b, DoD 6010.15-M § 3, DoD 7000.14-r FMR

- Authority to charge civilians who are not covered beneficiaries (or their insurers as a courtesy) for emergency health care
- Maintenance of complete and reliable record of financial transactions including collections control, accounts receivables, and deposits required
- MSA Officer/Collection Agent and alternate must be appointed in writing in accordance with DoD 7000.14-R FMR Volume 5, Chapter 2, Section 020301
- Minimum internal control procedures required
- Must retain all financial records for a period of not less than six years and three months
- HA Policy *MSA Collections Credited in Year Received* (6 Feb 2006)
  - credit MSA collections in the year of receipt rather than in the year services were rendered



- HA Policy 05-020, *Cosmetic Surgery Procedures in the MHS* (25 Oct 2005)
  - Only privileged staff/residents in plastic surgery, otorhinolaryngology, ophthalmology, dermatology, oral-maxillofacial surgery may perform cosmetic surgery
  - Cosmetic surgery performed “space available”
  - May not exceed 20% of the physician’s case load
  - Only for TRICARE-eligible beneficiaries
    - AD must have written permission from unit commander
  - All patients must pay and sign a letter acknowledging the debt
  - Complications are not a covered benefit



- HA Policy 07-026, *Billing Non-Department of Defense Beneficiary Newborns* (26 Oct 2007)
  - DoD has a legal obligation to recover reasonable costs of health care services to non-DoD beneficiaries
  - Bill for newborns of family member daughters and for certain former Service members
  - Bill for services from time of birth to time of discharge
  - Use full reimbursement rate



- HA Policy 08-002, *Billing for Care Furnished by Military Treatment Facilities to Federal Employees for On-the-Job Injuries and for Occupational Health* (8 Apr 2008)
  - Bill NAF at Interagency Rate (IAR) for Occupational Health and OTJ injury
  - Do not bill DoD when furnishing Occupational Health or care for OTJ to appropriated-fund DoD employees
  - Bill all other federal agencies at IAR for Worker's Comp
  - Bill employees for all other care unless they are a DoD beneficiary



- HA *Policy for Billing of Observation Services in Fixed MTFs* (7 Aug 2011)
  - Observation services may only be provided in the Emergency Department (ED) or nursing unit
  - Must monitor all inpatient claims/invoices and identify those inpatient claims/invoices generated for patients in an observation status
  - Must manually generate outpatient claims/invoices for those patients and cancel the associated inpatient claims/invoices
- User Guide *Observation Services* (01 July 2011)
  - How to identify and flag observation services
  - Must bill facility, provider professional services, and other services provided during observation, unless converted to inpatient



# MEDICAL AFFIRMATIVE CLAIMS

42 USC 2651 and 2652, 31 USC 3711, 10 USC 1095, DoD

- Authority to recover cost of health care provided to a beneficiary, including AD, who is injured or suffers a disease under circumstances creating a tort liability upon a third party
- Does not include care/treatment provided to Federal employees or AD members who are injured on their DoD job
- May pursue TPCP claim concurrently
  - Cannot collect more than the cost of medical care from any one source or combination of sources
- MTFs must verify with all injured patients, including AD, whether injury is accident or work-related
- Requires internal controls for cases sent to Judge Advocate
  - Ex: disposition of TPCP claims, deposits to the MTF's account, timely reporting of information about potential or ongoing affirmative claims, provision of accurate cost computations for care provided, and copies of supporting medical records



# ACCOUNTS RECEIVABLE

## DoD 7000.14-R FMR § 4, DoD 6010.15-M

- Must establish accounts receivable (AR) for all health-related services and goods provided
- Delinquent AR are receivables that are not paid within thirty (30) days of the inpatient hospital discharge or outpatient date of service
- Must make every effort to collect receivables before they become delinquent
- Procedures for reconciling and transferring delinquent AR
- Responsibilities of MSA Officer and requirements for appointment of audit officer and regular audits

- HA Policy *DHP Accounts Receivable (AR)* (2 May 2008)
  - Establishes policy for the recognition, classification, recording, aging, collection, disposition and reporting of AR
  - Goal to improve the accuracy of financial statements and prepare DHP-funded activities for audit readiness
  - Receivables shall be recognized and recorded when a claim based on goods or services is established
  - Age receivables beginning with the first day after invoice due date
  - Requires monthly reconciliation of AR general ledger balances
  - Allowance for uncollected, Service -specific methodology



- HA Memorandum *Write Off of Aged Accounts Receivable Due from the Public* (22 Dec 2011)
  - Public delinquent debt must be written off and collections efforts must cease if not collected within 2 years
  - May request waiver and classify as “Currently Not Collectible” to continue collection efforts
    - Justification required
    - Request coordinated through the SMA Audit Committee Chair, OMB and Treasury

- DoDI 1000.24, *Confiscation of Fraudulent Identification (ID) Cards at Military Treatment Facilities* (22 May 2003)
  - Sponsors must report, within 30 days, any change in their own status, or that of a family member, that affects eligibility for medical care
    - Otherwise, may be financially responsible for any provided
  - MTFs should ensure daily review of CHCS report listing individuals who received care and are not DEERS-eligible
  - MTFs are not the final decision-maker regarding beneficiary eligibility for care
    - Only Service Personnel offices can make final determinations of beneficiary eligibility
- DoDI 5505.12, *Anti-Fraud Program at Military Treatment Facilities (MTFs)*
  - Requires implementation of anti-fraud programs, training and education

- *TMA Compliance Plan Implementation Policy* (28 Feb 2002)
  - “The adoption and implementation of compliance programs significantly advances the prevention of fraud, while furthering the mission of providing quality care to patients”
  - MTFs and other DoD-designated billing activities must establish and comply with compliance guidelines
    - Establish a compliance plan for ethical coding and billing
    - Perform a compliance audit at least quarterly
- Compliance Program Minimum Requirements (DoD 6010.150-M Ch 2):
  - Written policies and procedures
  - Procedures to implement HIPAA administrative simplification, privacy, standardization, and security standards
  - Regular, monitored education and training programs
  - Effective and efficient lines of communication
  - Enforcement of standards

- Hierarchy of rules: Laws (statutes), Federal Regulations, Agency/Organizational Policies and Guidance
- Policies that directly affect how you do your job available at:
  - DoD Directives, Instructions, and Manuals:
    - <http://www.dtic.mil/whs/directives/>
  - UBO/HA Policies and Guidelines:
    - [http://www.tricare.mil/ocfo/mcfs/ubo/policy\\_guidance/letters.cfm/](http://www.tricare.mil/ocfo/mcfs/ubo/policy_guidance/letters.cfm/)
    - [http://www.health.mil/About\\_MHS/HA\\_Policies\\_Guidelines.aspx?policyYear=2013/](http://www.health.mil/About_MHS/HA_Policies_Guidelines.aspx?policyYear=2013/)
  - UBO Manual:
    - [http://www.tricare.mil/ocfo/mcfs/ubo/policy\\_guidance/manuals.cfm/](http://www.tricare.mil/ocfo/mcfs/ubo/policy_guidance/manuals.cfm/)
  - TRICARE HIPAA, Privacy, Security:
    - <http://www.tricare.mil/hipaa/>
    - <http://www.tricare.mil/tmaprivacy/>
- DoD 7000.14-r, DoD Financial Management Regulation:
  - <http://comptroller.defense.gov/fmr/>



Thank You

**Questions?**

# RESOURCES

- HIPAA of 1996, Pub.L. 104-191 (21 Aug 1996)
- Health Information Technology for Economic and Clinical Health (HITECH) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. No. 111-5 (17 Feb 2009)
- ASCA: P.L. 107- 105 (HR 323), December 2001
- 45 Code of Federal Regulations (C.R.R.) Parts 160 and 164
- DoDD 5400.11, DoD Privacy Program
- DoDD 6025.18, *Privacy of Individually Identifiable Health Information in DoD Health Care Programs* (2 Dec 2009)
- DoD 6025.18-R, *DoD Health Information Privacy Regulation* (24 Jan 2003)
- DoD 8580.02-R, *DoD Health Information Security Regulation*

- HA Policy 05-002, *HIPAA National Provider Identifier Enumeration Process for MHS Individual (Type 1) Health Care Providers* (Jan 26, 2005)
- HA Policy 05-012, *HIPAA National Provider Identifier Enumeration Process for MHS Organizational (Type 2) Health Care Providers* (Aug 1 2005)
- HA Policy 06-010, *HIPAA Security Compliance* (27 June 2006)
- HA *Change to MHS Policy for International Classification of Diseases, Tenth Revision* (3 Dec 2012)



- 10 USC 1071 *Purpose*
- 10 USC 1072 *Definitions*
- 10 USC 1074 *Medical and dental care for members and certain former members*
- 10 USC 1076 *Medical and dental care for dependents: general rule*
- 10 USC 1077 *Medical care for dependents: authorized care in facilities of uniformed services*
- 10 USC 1078 *Medical and dental care for dependents: charges*
- 10 USC 1079(b) *Procedures for Charging Fees for Care Provided to Civilians; Retention and Use of Fees Collected*
- 10 USC 1095 *Health Care Services Incurred on Behalf of Covered Beneficiaries: Collection From Third-Party Payers*
- 10 USC 1110b *TRICARE program: extension of dependent coverage*
- 32 CFR 220 *Collection From Third Party Payers of Reasonable Charges for Healthcare Services*

- Federal Medical Care Recovery Act (42 U.S.C 2651-2653)
- Federal Claims Collections Act (31 U.S.C 3711)
- Workers' Compensation Statutes – Federal and State Collections from Third Party Payers (10 U.S.C 1095)
- 28 CFR 43, 4 CFR 101-105, 32 CFR 220
- UBO Manual DoD 6010.15-M, chapter 5
- Service-specific guidelines



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